

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:1836
ANSWERED ON:29.11.2007
EXPANSION OF SALEM STEEL PLANT
Subbarayan Shri K.

Will the Minister of STEEL be pleased to state:

- (a) whether the Government proposes to set up a full-fledged integrated plant of mining at Salem Steel Plant;
- (b) if so, the details thereof;
- (c) the expected growth due to proposed expansion of Salem Steel Plant; and
- (d) the job opportunities likely to be generated due to expansion of Salem Steel Plant?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (DR.AKHILESH DAS)

(a)&(b): As part of backward integration, Steel Authority of India Limited (SAIL) is installing new steel melting facilities of 180,000 tonnes per annum at Salem Steel Plant to make it an integrated plant. Initially scrap will be used as input material for steel making. However, in future Direct Reducing Iron (DRI) is also being considered as a substitute for it. For this, SAIL has already applied for lease of Kanjamalai iron ore reserve to the Govt. of Tamil Nadu.

(c) The expansion plan envisages a production of 0.34 Million Tonne (MT) per annum of saleable steel from the current level of 0.18 Million Tonne (MT) per annum.

(d) Additional facilities proposed to be installed under expansion plan of Salem Steel Plant will provide direct and indirect employment opportunities though their exact numbers have not been quantified at this stage.